

## Message Text

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PAGE 01 STATE 295273

60

ORIGIN NEA-10

INFO OCT-01 EUR-12 ISO-00 L-03 EB-07 COME-00 FEA-01

ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 DODE-00 FPC-01

H-02 INR-07 INT-05 NSAE-00 NSC-05 OMB-01 PM-04

USIA-06 SAM-01 OES-06 SP-02 SS-15 STR-04 TRSE-00

ACDA-07 /112 R

DRAFTED BY NEA/RA:DRPATTERSON:JR

APPROVED BY NEA/RA:SEPALMER, JR.

NEA/RA:DTMORRISON

NEA/IAI:MANDERSON

L/NEA:DSMALL

EB/IFD/OSB:EKLAWSON

USDOC:JHEARN

EUR/WE:JFDOBBINS

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R 032222Z DEC 76

FM SECSTATE WASHDC

TO AMEMBASSY TEL AVIV

INFO AMEMBASSY PARIS

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E.O. 11652: N/A

TAGS: ENRG, IS

SUBJECT: OIL EXPLORATION IN ISRAEL

REF: TEL AVIV 7742

1. DEPARTMENT HAS CONTACTED SCHLUMBERGER AND HAS LEARNED  
THE FOLLOWING: SCHLUMBERGER'S OVERALL HOLDING COMPANY,  
SCHLUMBERGER LTD., IS REGISTERED IN THE NETHERLANDS ANTILLES.  
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PAGE 02 STATE 295273

SCHLUMBERGER LTD. HAS A BRANCH OFFICE IN NEW YORK, WHICH

ACCORDING TO SCHLUMBERGER GENERAL COUNSEL DAVID BROWNING DOES NOT GET INVOLVED IN OPERATIONAL QUESTIONS. BROWNING SAID SCHLUMBERGER LTD.'S NEW YORK OFFICE MAINLY PROVIDES "CERTAIN ACCOUNTING AND LEGAL SERVICES" TO OTHER OFFICES, BUT ADDED THAT NEW YORK OFFICE IS SOMETIMES INVOLVED IN MATTERS OF "LONG-TERM CORPORATE POLICY." SCHLUMBERGER, SAID BROWNING, FOLLOWS A POLICY OF DECENTRALIZED MANAGEMENT, AND TO EXTENT ITS EASTERN HEMISPHERE OPERATIONS (SPECIFICALLY ITS MIDDLE EASTERN OPERATIONS) NEED CENTRALIZED DIRECTION, THEY RECEIVE IT FROM PARIS OFFICE. SCHLUMBERGER BEGAN ITS CORPORATE LIFE AS FRENCH FAMILY-OWNED COMPANY. IT IS NOW A PUBLIC CORPORATION WHOSE STOCK IS TRADED IN NEW YORK AND ON SEVERAL EUROPEAN EXCHANGES. ITS CHIEF EXECUTIVE OFFICER, BROWNING SAID, IS A FRENCH NATIONAL WHO SPENDS MOST OF HIS TIME IN PARIS OFFICE. ITS BOARD MEETS IN U.S. OR EUROPE ACCORDING TO ITS DESIRE OF THE MOMENT.

2. BROWNING, AFTER TAKING TWO WEEKS TO CHECK AROUND, HAS INFORMED US THAT HE CAN FIND NO ONE IN SCHLUMBERGER WHO RECALLS AN APPROACH FROM THE "ISRAEL NATIONAL OIL COMPANY" IN JANUARY OR FEBRUARY OF 1976, OR AT ANY OTHER TIME RECENTLY. HE SUGGESTED THAT IF WE COULD SUPPLY NAMES OF THE ISRAELIS OR THEIR REPRESENTATIVES WHO CONTACTED SCHLUMBERGER, OR OF SCHLUMBERGER EXECUTIVES WHOM THEY CONTACTED, HE MIGHT BE ABLE TO LEARN MORE ABOUT SCHLUMBERGER'S HANDLING OF THE ISRAELI APPROACH.

3. EMBASSY MAY PASS FOREGOING TO ISRAEL NATIONAL OIL COMPANY. IF COMPANY OFFICIALS WISH USG TO PURSUE MATTER FURTHER, EMBASSY SHOULD INQUIRE WHETHER SERVICES SOUGHT FROM SCHLUMBERGER ARE DIRECTED AT EXPLORATION IN THE OCCUPIED TERRITORIES AS WELL AS IN ISRAEL PROPER. SCHLUMBERGER IS AWARE THAT IT IS U.S. GOVERNMENT POLICY TO DISCOURAGE COMPLIANCE WITH THE ARAB BOYCOTT BY AMERICAN FIRMS AND ALSO TO DISCOURAGE AMERICAN FIRMS FROM PARTICIPATING IN MINERAL EXPLORATION OR EXTRACTION IN THE OCCUPIED TERRITORIES.

4. WE ASKED SCHLUMBERGER IF THEY MIGHT CONSIDER SIMPLY SELLING LOGGING EQUIPMENT TO ISRAELIS. BROWNING REPLIED LIMITED OFFICIAL USE

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PAGE 03 STATE 295273

THAT FIRM WILL NOT SELL SUCH EQUIPMENT TO ANYONE--IT SELLS COMPLETE LOGGING SERVICE. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, FOREIGN ASSISTANCE, EXPLORATORY DRILLING  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** DRPATTERSON:JR  
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**Film Number:** D760449-1018  
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**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761273/aaaacilx.tel  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 TEL AVIV 7742  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
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**TAGS:** ENRG, IS, SCHLUMBERGER CORP  
**To:** TEL AVIV  
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